

CITY OF MOUNTAIN VIEW

CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER) FISCAL YEAR 1999

I. DESCRIPTION OF CAPER REPORT

The City of Mountain View's 1999 Consolidated Annual Performance and Evaluation Report (CAPER) describes the City's low income housing and community development activities carried out during Fiscal Year 1999-2000 (July 1, 1999 – June 30, 2000), the funds made available for low income housing activities, and the number of low income households who were assisted with housing related needs. The CAPER also evaluates the City's overall progress in carrying out priority projects identified in the Five Year Strategic Plan* and the Annual Action Plan*. Overall the City has met its major five year goals identified in the Strategic Plan. The CAPER replaces the CDBG Grantee Performance Report, HOME Annual Performance Report, and CHAS Annual Performance Report.

II. SUMMARY OF ACCOMPLISHMENTS

The City of Mountain View had anticipated having available \$1,080,000 in CDBG funds and \$443,000 in HOME funds for housing and community development activities. The anticipated level of funding was received and was used to carry out housing and community development projects. All the projects identified in the 1999 Action Plan received the level and type of funding detailed in the Action Plan.

In Fiscal Year 1999 the City's major accomplishment was establishing the groundwork for development of 100 to 150 units of efficiency studio housing to serve very low income persons earning between 25% to 45% of the County median income. \$390,000 of CDBG funds, \$301,000 of HOME funds and \$809,000 of local Revitalization Housing Set-Aside funds were allocated for this project; a Request for Proposals was carried out and Charities Housing was selected as the agency to carry out this project; and an extensive site selection process was carried out to find a site for this project. The site selection process has resulted in the identification of two sites that would be feasible for an efficiency studio development. It is expected that in December, 2000 the City Council will be selecting a site for this project. The Council has also allocated Fiscal Year 2000-2001 CDBG and HOME funds for this project, bringing the total available funding to \$2.6 million. The project is, however, expected to need between \$3.5 to \$4.5 million in funding, therefore, the project will also likely need future year CDBG and HOME funding.

* The Strategic Plan is part of the City's Consolidated Plan (CP), which is a five year (1995-2000) comprehensive planning document that identifies the City's overall needs for affordable and supportive housing as well as non-housing community development needs. The Strategic Plan outlines a five-year strategy for use of available resources to meet the identified needs. The annual Action Plan outlines a one year plan for addressing the goals in the Strategic Plan.

The City's other major accomplishments during the year were the completion of the construction of the community room at the Sierra Vista Apartment complex. This is an existing 34 unit affordable housing complex and the community room is being used to provide computer training classes for the children in the complex and also for tenant meetings and other activities. The City also allocated funding to Charities Housing for the construction of 23 units of housing for developmentally disabled persons, and development of 25 units of transitional housing for victims of domestic violence. Both of these Charities Housing projects are underway and will address regional needs for housing for persons with special needs.

During Fiscal Year 1999 the City also began implementing its new Below Market Rate Housing Ordinance, which requires that new residential developments provide a certain percentage of affordable units or pay an in-lieu fee which the City can then use to develop affordable housing. During Fiscal Year 1999 the City also began studying the feasibility of requiring a Housing Impact fee from new commercial development, to help offset the affordable housing needs created by the addition of jobs.

Since this is the final CAPER to report on the City's performance in meeting the 1995-2000 prior Consolidated Plan goals, it bears identifying the major accomplishments during this time period. During these five years, the City received and allocated \$4,424,000 in CDBG funds and \$2,073,000 in HOME funds. The major issue facing the City during this five year period was the potential loss of 269 affordable housing units whose low income use restrictions were expiring and were at risk of being converted to market rate housing. The City was able to preserve all these affordable housing units. A summary of the major accomplishments during this five year period is provided below.

- \$1.2 million of CDBG funds and \$612,398 of HOME funds (including \$387,602 of local Revitalization Housing Set-Aside funds) were used for the acquisition and preservation as affordable housing of the Central Park Apartments. 149 units of affordable housing for seniors were preserved. This project was the result of over four years of negotiations with the property owner to prevent this property from being converted to market rate housing.
- \$688,000 of CDBG funds and \$387,000 of HOME funds (including \$992,454 of local Revitalization Housing Set-Aside funds) were used for the acquisition, rehabilitation, and conversion to affordable housing of 74 units of market rate housing for large families (Maryce Freelen Place Apartments at 2230 Latham Street). This property had the third highest crime rate in the City and was plagued by gangs and crime, had severe overcrowding and deferred maintenance and was an overall problem for the neighborhood. The acquisition and rehabilitation of this property not only resulted in 74 affordable housing units but also helped rid the neighborhood of a problem property.
- \$747,134 of CDBG funds and \$320,031 of HOME funds were used for the acquisition and preservation as affordable housing of the Shorebreeze Apartments. 120 units of affordable housing for seniors and families preserved.
- The City Council adopted a Below Market Rate (BMR) housing program, in an effort to increase the City's affordable housing stock. This program requires that new housing developments make 10

percent of their units affordable to low and moderate income households or pay an in-lieu fee which the City will use to develop affordable housing.

- A study regarding the feasibility of Efficiency Studio housing was completed and \$390,000 in CDBG funds and \$301,000 in HOME funds plus \$809,000 in Revitalization Housing Set-Aside funds have been allocated for the development of 100-150 units of efficiency studio housing for very low income single person households. An agency to carry out this project has also been selected and two sites are being studied for the potential development of efficiency studio housing.
- \$100,000 of CDBG funds were spent on the creation of a community room at the Sierra Vista Apartment complex, which is being used as a homework center, community center and to provide computer training classes for the youths.
- \$131,850 of HOME funds were used to purchase a single family house to be used as a group home for very low income seniors.
- \$26,000 of CDBG funds were spent on the rehabilitation of the group home at 1979 Colony for developmentally disabled children.
- \$125,000 was spent on the construction of a 250-bed regional homeless shelter (Reception Center) in San Jose. This facility provides shelter, transitional housing and services for homeless individuals and families in Santa Clara County.
- \$55,000 was spent on the rehabilitation of the CasaSAY youth shelter in Mountain View.
- \$115,050 of HOME funds and \$9,000 of CDBG funds were allocated for the development of a 23 unit apartment complex for very low income persons with developmental disabilities.
- \$100,000 of HOME funds were allocated for the development of 25 units of transitional housing for victims of domestic violence.
- \$150,000 of CDBG funds allocated for the replacement of the family shelter at the Agnew's Developmental Center in Santa Clara.
- \$150,000 of CDBG funds allocated for the rehabilitation of the Tyrella Gardens Apartment complex, which provides 56 units of affordable housing.
- City began exploring the feasibility of adopting a Housing Impact fee for new commercial development to help fund affordable housing.
- A study regarding the feasibility of developing additional affordable senior housing has been completed and the City Council identified the need for improved information to be provided to seniors regarding

existing senior housing opportunities and available services. In response to this need, seniors are being provided handbooks which detail the housing opportunities and services available.

Table 1 (attached), Goals, Objectives and Accomplishments, provides a summary of the five-year Strategic Plan goals as well as the Fiscal Year 1999 objectives and accomplishments and the accomplishments to date in achieving the five year goals.

III. AFFIRMATIVELY FURTHERING FAIR HOUSING

On February 6, 1996, the City of Mountain View completed an Analysis of Impediments (AI) to Fair Housing Choice. This analysis identified the lack of available and affordable housing as the main impediment to fair housing choice. As noted under the section titled “Affordable Housing”, the City has made it its top priority to preserve and increase the City’s affordable housing stock and has made significant progress in this area. In addition, a number of activities have been carried out specific to addressing issues identified in the City’s AI, such as training for owners and managers of small properties.

The City provided \$24,000 in CDBG and General Fund support for fair housing services and also monitored the provision of these services. Mid-Peninsula Citizens for Fair Housing continued to provide fair housing services for the City of Mountain View. In addition to the provision of fair housing counseling, referral and case investigation services, MCFH carried out a number of outreach and educational activities to increase community awareness of fair housing. The most significant outreach activities are summarized below. In addition, the City is participating in a County-wide study regarding fair housing services and needs, in order to assess the effectiveness of existing fair housing services and determine how best to address fair housing needs.

- Distributed 415 fair housing brochures throughout the community
- Placed 90 ads in the Mercury News.
- Placed bi-weekly ads in the VOICE local newspaper and 12 ads in the Spanish language newspaper, El Observador.
- Published 3 articles in the Disabled Dealer Magazine.
- On June 8,2000, MCFH co-hosted a Northern California fair housing meeting.
- Placed public service announcement on MPAC television station.

IV. AFFORDABLE HOUSING

a. Evaluation of Progress in Meeting Housing Objectives

Table 1, Goals, Objectives, Accomplishments, lists the affordable housing goals and the progress in meeting the goals. The most significant goal that has been met during the past five years is the preservation of the City’s affordable housing stock which has been at risk of conversion to market rate housing. The

City has successfully preserved 269 affordable housing units. The City has also cleaned up a problem property and created 74 affordable family units through the rehabilitation and conversion to affordable housing of a market rate property. In addition, in an effort to increase the City's affordable housing stock, the City has adopted a Below Market Rate housing program, requiring new housing developments to make a portion of their housing affordable to low and moderate income households or pay an in-lieu fee. The City is also currently considering the adoption of a housing impact fee for new commercial development in order to better address community's affordable housing needs. The City has also provided funding, identified an agency to carry out the project and conducted an extensive study of potential sites for an efficiency studio project to create 100-150 small studio units for very low income single person households.

b. Number of Renter/Owner Households Assisted

The Consolidated Plan identified the housing needs of renter households as the highest priority need. The efficiency studio development, which is currently in the planning stages, will provide 100-150 very low income renter households with affordable housing.

The Consolidated Plan identified owner households as having fewer housing needs than tenants, therefore, the available funding was primarily used to address the needs of low income renter households. 21 owner households, were, however, assisted through the home repair and home access programs.

c. Efforts to Address "Worst-Case" Needs

The City's worst case need has been the lack of enough affordable housing for very low income renter households. In order to address this need, the City is working with Charities Housing to develop 100-150 efficiency studio units.

During the past five years, the City's worst case needs have been the potential conversion of 269 affordable housing units to market rate housing and the overall need for additional affordable housing. The City has been successful at preserving all 269 at risk housing units by using its CDBG and HOME funds to assist a local non-profit to purchase these properties and preserve them as affordable housing. The City has used all available funding to address affordable housing needs and has also adopted a Below Market Rate Housing ordinance and is currently exploring the feasibility of adopting a housing impact fee on new commercial development, in order to better address affordable housing needs.

d. Efforts to Address the Needs of Persons with Disabilities

- 5 households were assisted in making their homes accessible through the City's Home Access Program
- 900 frail seniors were assisted to continue living independently through the provision of a number of public services; and
- the City is continuing to support the Charities Housing Development Corporation project to construct 23 units of housing for developmentally disabled persons county-wide.

V. CONTINUUM OF CARE NARRATIVE

a. Actions to Address the Needs of Homeless Persons

- Funding is provided for construction of the Sobrato Family Living Center, to replace the family shelter at Agnew's Developmental Center.
- Funding was for the first time provided for the Clara Mateo shelter program (at the VA in Menlo Park) in order to provide shelter and support services to homeless Mountain View residents. This shelter addresses shelter needs of persons who cannot go to the Reception Center in San Jose.
- 3,669 shelter days were provided by Emergency Housing Consortium for Mountain View homeless persons.
- The Community Services Agency continued to operate the local rotating shelter program which is operated out of local churches and provides shelter and social worker assistance to Mountain View homeless persons.
- The Community Services Agency continued to provide ready to eat food for homeless persons.
- 100 Mountain View homeless persons were provided mental health counseling and assistance from the Alliance for Community Care.

b. Actions to Address the Supportive Housing Needs of Non-Homeless

Allocated \$229,000 in CDBG and General Fund support to provide a variety of public services to address the needs of low income persons. Services provided included free food, clothing, medical care, legal assistance, transportation, and a variety of other services.

c. Actions to Develop/Implement a Continuum of Care Strategy

The City of Mountain View continued to participate in the Santa Clara County Collaborative on Housing and Homeless Issues. The Collaborative is made up of local jurisdictions, shelter providers, service providers, housing advocates and non-profit housing developers. This group provides an effective way to attract additional funding sources and create affordable housing for the homeless and those at risk of homelessness.

d. Actions to Prevent Homelessness

- \$40,176 allocated to public service programs which provide shelter, food, clothing, counseling, rental assistance and other services to persons at risk of homelessness. 3,872 persons assisted with shelter and other necessities.

- Significant progress was made on the development of 100-150 units of efficiency studio (i.e. SRO) housing which will be affordable to very low income persons and will provide an important housing resource to persons on the verge of homelessness due to the current lack of affordable housing for this income group.

e. Actions to Assist Homeless Persons in the Transition to Independent Living

- The City continued to work with Project Match and the Community Services Agency to ensure the successful operation of the transitional house at 813 Alice Avenue. This house provides transitional housing and support services for previously homeless persons to assist them in making the transition to permanent housing and independent living. Six previously homeless persons have been provided transitional housing.
- The City continued to fund the Community Services Agency Emergency Assistance Program which assists persons in obtaining food, shelter, transportation, and other necessities. \$33,238 was allocated for this service and 3,490 persons were served.
- The Mountain View Clinic continued to provide health care services for low income uninsured persons.
- The Alpha Omega rotating shelter program continued to operate and provide social worker assistance to homeless persons to assist them in the transition back to independent living.
- The City allocated \$20,000 toward the rehabilitation of the transitional house for homeless veterans which is located in Mountain View. This project continued to be delayed due to internal difficulties at the agency, however the City is continuing to support this project and has carried the funding over to Fiscal Year 2000 in order to allow the agency additional time to carry out the project.
- The City allocated funds for the development of transitional housing to be included in the new family shelter which is under construction at Agnew's.

VI. OTHER ACTIONS

a. Actions to Address Obstacles in Meeting Underserved Needs

As in past years, the most significant obstacle to addressing the underserved needs for Fiscal Year 1999 was the lack of sufficient funds to carry out all the necessary projects. In an effort to increase the funding available for affordable housing (the City's highest priority need), the City continued to provide funding to non-profits in the form of loans. The City continued to require repayment of the loans in those instances where a project has the ability to pay back the funds, in order to create a revolving fund and allow the funds to be used for additional projects in the future.

In a further effort to overcome the obstacle of insufficient funding to address the City's affordable housing needs, the City in Fiscal Year 1998 implemented a Below Market Rate ordinance which requires that new housing developments in the future include a certain percentage of affordable housing units or pay an in-lieu fee to the City's housing trust fund. Several projects are currently being processed which will result in the City receiving a significant amount of revenue to be used for affordable housing. In addition, the City is currently considering the adoption of a Housing Impact fee to be provided by new commercial development. The Housing Impact fee would provide yet another revenue source for affordable housing.

Another major obstacle for the City has been the CDBG requirement that the jurisdiction not hold onto more than 1.5% of its entitlement grant. The annual entitlement of about \$866,000 allows the City to maintain an unexpended letter of credit balance of about \$1.3 million. Unfortunately, in order to develop housing projects in San Clara County, projects need anywhere from \$2 to \$5 million in funding. In order to accumulate enough funds to carry out a project, there is a need to accumulate several year's worth of CDBG and HOME funds. The current efficiency studio project, as an example, will require anywhere from \$3.5 to \$4.5 million in funding from the City. During the next year City staff will be working with HUD staff to determine how best to carry out this project and comply with the 1.5 percent requirement.

b. Actions to Foster and Maintain Affordable Housing

In order to facilitate affordable housing developments, the City has found it useful to have a staff person assigned to affordable housing projects to troubleshoot and ensure that any difficulties that come up are resolved quickly. This method has worked well in carrying out the 2230 Latham Street project as well as the Mountain View Apartments and Central Park Apartments projects and is being continued for the efficiency studio project.

The City continued to work with local nonprofit organizations to explore any potential opportunities for affordable housing and as noted in the section above, the City has adopted a BMR Program and is now considering a Housing Impact Fee Program in order to increase the available revenue for the development of affordable housing.

c. Actions to Eliminate Barriers to Affordable Housing

As noted above under the section about obstacles to underserved needs, a major obstacle for the City has been the lack of enough funds. The City has tried to overcome this obstacle by implementing a Below Market Rate Housing ordinance and is now considering a Housing Impact fee.

Other significant barriers to the development of affordable housing have been the lack of available vacant land and the current active real estate market which makes it difficult for non-profit organizations to compete to purchase land. In order to overcome this barrier, the City Council has agreed to consider City-owned properties for the development of the efficiency studio project.

Another major barrier has been the fear many people have about affordable housing and the potential of such housing to lower property values, result in crime, and other unfound consequences. In order to

alleviate these fears, in carrying out affordable housing projects, the City conducts numerous neighborhood meetings, community workshops, and other outreach to the community to provide information, answer questions, and prevent incorrect information about affordable housing from creating unnecessary fears among residents.

d. Actions to Overcome Gaps in Institutional Structures

In an effort to improve intergovernmental cooperation, the City of Mountain View continues to participate with the other local jurisdictions in sharing information and resources. Regular quarterly meetings have been established in order for the various entitlement cities and the County to meet and share information and resources. In addition, for projects that are being funded by more than one City (i.e. the Charities Housing Development new housing construction for developmentally disabled adults), the various jurisdictions involved have worked together in an effort to reduce duplication of work and thus reduce project management costs.

In order to accommodate the various requirements of numerous other funding sources, the City maintained flexibility in the provision of its funds so that projects would not be hindered by numerous conflicting requirements. Likewise, for projects that are jointly funded by a number of jurisdictions, efforts were made to consolidate the funding requirements in order to reduce the burden on the agency of having to comply with numerous different contract requirements.

e. Actions to Improve Public Housing and Resident Initiatives

There are no public housing units in the City of Mountain View.

f. Actions to Reduce Lead Based Paint Hazards

The City informed all subrecipients carrying out rehabilitation or acquisition activities of the dangers of lead based paint, the requirements for lead abatement, and inspected for defective paint on projects being rehabilitated or acquired. The City is currently in the process of finalizing the development of a Lead Based Paint Management Plan which it will use in the future to comply with HUD's lead based paint requirements.

g. Actions to Ensure Compliance with Comprehensive Planning Requirements

The City continued active monitoring of all subrecipients and projects to ensure compliance with program and comprehensive planning requirements. Monitoring involved review of quarterly invoices and client reports and review of agency audit reports. Annual on-site monitoring is also carried out for all subrecipients and involves a review of client files, financial records, policies and procedures as well as compliance with all applicable federal requirements.

h. Actions to Reduce the Number of Persons Living Below the Poverty Level

The efficiency studio project will provide affordable housing for 100-150 very low income single person households. These are households whose incomes are too low to qualify for even traditional affordable housing, and a significant percentage of these persons are living below the poverty level. By providing affordable housing, the City will be able to help these households to have a safe, quality place to live and to be able to focus their attention on increasing their job skills. The City of Mountain View also continued its participation in the NOVA employment program which provides job training and employment programs for low income persons.

The City continued to fund the Community Services Agency Emergency Assistance Program which provides a variety of services, including rental assistance, food, clothing and job search to help prevent at-risk households from becoming homeless and to provide them with basic necessities which they can't afford due to their limited income. The City also funded the American Red Cross for provision of rental assistance to Mountain View residents. Due to the high cost of housing in this area, efforts have been concentrated to providing and maintaining the affordable housing of low income households to prevent them from becoming homeless.

i. Geographic Distribution of Investments

The City of Mountain View used funds from its CDBG and HOME programs to carry out the activities detailed in the 1999 Action Plan. Activities were carried out City-wide; there was no geographic concentration of resources.

No property acquisition or housing rehabilitation projects were carried out during the fiscal year.

VII. LEVERAGING RESOURCES/MATCHING FUNDS

All the projects carried out involved the leveraging of other funding sources.

The City had an excess HOME match credit from the prior fiscal year of \$1,018,474. The match liability for the year was \$75,250 and the City provided \$809,000 of Revitalization Housing Set-Aside funds for this project, which are an eligible match source. This brought the available excess HOME match credit to \$1,752,224 which will be available for future projects. This information is detailed in the HOME Match Report, form 40107-A.

VIII. CITIZEN COMMENTS

No citizen comments were received.

IX. PUBLIC PARTICIPATION REQUIREMENTS

A draft CAPER was made available for public review for a 17 day period (September 11 through September 27, 2000). An advertisement was placed on September 8, 2000 in the San Jose Post Record,

a newspaper of general circulation, advertising the availability of the CAPER. Copies of the CAPER report were made available to the public. The public could either come to the Community Development Department during normal business hours to pick up a copy of the report or they could call in and have the report mailed to them.

X. SELF EVALUATION

The City's 1995-2000 Consolidated Plan (CP) was adopted by the City Council on April 18, 1995. During the 1998 funding cycle, the City amended the five year goals in the CP to make them more relevant based on the goals that had already been achieved, current funding sources and housing market conditions.

The City of Mountain View has met all its major five year goals. In summary, the City's top priorities have been the preservation of the existing affordable housing stock and the needs of low income renter households, who are identified in the CP as the most in need of housing assistance.

The City has been successful in preserving its at-risk housing stock, benefiting 267 low income renter households and preventing displacement of these households. Now that the affordable housing stock has been preserved, the City is focusing on increasing the affordable housing stock through the adoption of a BMR ordinance, potential adoption of a housing impact fee on new commercial development, and the development of an efficiency studio project.

The City has also been addressing the needs of the homeless population, those at-risk of homelessness and those making the transition out of homelessness through the funding of shelter and transitional housing services as well as other essential public services such as food, health care, clothing, counseling and transportation.

The City has funded the development of a community room at the Sierra Vista Apartment complex which will be used to provide computer training and other educational opportunities and will assist the children to excel in school and the adults to improve their job skills and hopefully move into better paying jobs.

Assessment of 3-5 Year Goals

The City has carried out many projects which assist low and moderate income renter households as well as the homeless, persons with disabilities, and seniors. Due to the high cost of housing (\$500,000 median house cost), however, the City has not been able to provide any substantial assistance to first time homebuyers due to the large subsidies that would be needed to assist a single low income household to purchase a home. The City has likewise not been able to assist homeowners to rehabilitate their homes due to the incomes of homeowners exceeding the federal income limits. Due to limited available funds and the many needs of low income renter households and homeless persons, the City has targeted its funds to assisting these groups. The City has, however, operated a home repair and home access program which provides assistance to low income homeowners in making their homes accessible and maintaining their homes. Due to the high cost of housing, there was one public service program which was unable to meet its annual goals. Project Match which provides shared housing for low income seniors did not meet its

goal for finding shared housing due to the lack of affordable housing in the area. The agency is working to restructure its program in order to be able to better serve Mountain View residents in the future.

Several small housing rehabilitation projects have been funded and are pending due to obstacles being faced by the non-profit agencies. The obstacles are detailed below and are beyond the control of the City. However, the City is working with each of these agencies to resolve the obstacles and have the rehabilitation work underway during the next fiscal year.

- Tyrella Gardens, rehabilitation of existing 56 unit affordable housing complex – this project was not carried out during the fiscal year due to delays at the State in awarding the additional funding that is needed for this project.
- Veteran's Workshop, rehabilitation of a group home for homeless, disabled veterans – this project was not carried out due to internal difficulties at the agency. The City is working with the agency to try and bring resolution to this project.
- St. Vincent De Paul, tenant improvement work, this project has not yet been carried out due to the agency's inability to get a long term lease executed with the property owner. The City is working with the agency and property owner to try and bring resolution to this project.
- Achieve – installation of energy efficient windows and insulation at a group home for developmentally disabled children. This project was delayed due to staffing shortages at the agency but is now underway.

XI. CDBG PROGRAM SPECIFIC NARRATIVES

a. Assessment of Use of CDBG Funds to Consolidated Plan Goals

As noted in the Self Evaluation and the Summary of Accomplishments sections, the City's highest priority need in the Consolidated Plan has been for affordable, quality housing for low and moderate income renter households. For the past five years the City has used all available CDBG funds to first of all preserve affordable housing units which have been at risk of conversion to market rate housing and second to increase the existing affordable housing stock. Since 1995 the following major housing projects have been carried out with CDBG funds:

- 2230 Latham Street – 74 quality affordable housing units created out of a property that had the third highest crime rate in the City and was an on-going code enforcement and neighborhood problem. (FY 1995)
- Mountain View Apartments – 120 affordable housing units permanently preserved from conversion to market rate housing. (FY 1996)
- Central Park Apartment – 149 affordable housing units permanently preserved from conversion to market rate housing (Fiscal Year 1997/1998 project).
- 813 Alice Avenue – transitional house for homeless persons started up. (FY 95/96)

- CasaSAY shelter for youths rehabilitated. (FY 1995)
- Peninsula Children's Center group home for developmentally disabled children rehabilitated. (FY 1997)
- Emergency Housing Consortium new shelter for homeless persons County-wide completed. (FY 1997)
- Efficiency Studio Development (100-150 units) currently in planning stages. (FY 1999)

b. Use of CDBG Funds to Benefit Low/Moderate Income Persons

All available CDBG funds (100%) have been used to carry out activities benefiting low and moderate income persons. Funds have been used primarily to provide affordable housing for low income households and to maintain the existing affordable housing stock.

c. Changes in Program Objectives

During the 1998 funding cycle, the City amended the five year goals in the CP to make them more relevant to currently available funding sources and housing market conditions and to reflect goals which have already been met. These changes in program objectives were discussed in detail in the City's 1997 CAPER. There were no changes in program objectives for Fiscal Year 1999.

d. Efforts at Carrying out Action Plan Activities

As discussed in the Self Evaluation section, the City has met all its major CP goals. The City has pursued all the available resources noted in the action plan. All resources have been used to meet the low/mod limited clientele national objective.

The City has provided all requested certifications of consistency and all the requests were consistent with the goals in the City's CP. All certification requests were reviewed in a fair and impartial manner. The City in no way hindered the implementation of the goals in its CP.

e. Acquisition, Rehabilitation or Demolition of Occupied Real Property

No activities were carried out in Fiscal Year 1999 which involved acquisition or rehabilitation of occupied real property.

f. Rehabilitation Activities

A number of rehabilitation project were funded but all these projects involved a significant amount of start-up time and therefore will be carried out in Fiscal Year 2000. The details about these projects are discussed under the section regarding assessment of the 3-5 year goals.

X. HOME PROGRAM SPECIFIC NARRATIVES

a. Distribution of Funds Among Different Categories of Housing Needs

Fiscal Year 1999 was the City's fifth year as a participating jurisdiction in the HOME Program. The following HOME projects have been carried out to date:

<u>Project</u>	<u>Funding Year</u>	<u>Funding Provided</u>	<u>Date Completed</u>	<u>Housing Needs Served</u>
2230 Latham Street	1995	\$387,000	June, 1997	Families
Mountain View Apts. 460 Shoreline	1996	\$320,031	August, 1997	Families & Seniors
Senior Residence 1675 Wolfe Road Sunnyvale	1995 & 1996 CHDO funds	\$131,850	September 1997	Seniors
Central Park Apts. 90 Sierra Vista	1997 & 1998	\$612,398	July, 1998	Seniors
Efficiency Studios (Pending)	1999	\$301,000 (not yet expended)	underway	Single person households

The HOME funds used to date have benefited family and senior households.

b. Match Report (HUD 4107-A)

Attached HUD report 4107-A summarizes the status of the HOME match funds which are discussed under the Leveraging Resources section of this report. At the end of the fiscal year the City had \$1,752,224 in excess match funds which are being carried over for future HOME projects.

c. Contracts and Subcontracts with MBE's and WBE's (HOME Report 40107)

Attached HUD report 40107 details the HOME program income, minority business enterprises and women business enterprises contracts. No displacements or acquisitions occurred during the fiscal year.

The City became a HOME Participating Jurisdiction in Fiscal Year 1995. Four projects have been completed to date, as shown on the previous page. These projects all involved use of HOME funds for property acquisition and did not involve any contractors.

d. Results of On-Site Inspections of Housing

On-site inspections of all four housing projects have been completed within the two year required time period. All four housing projects are in compliance with the major program requirements. In several instances the standard form lease agreement being used had to be modified to provide tenants with the required one year lease per the HOME regulations. All projects were in compliance with Housing Quality standards.

e. Assessment of Affirmative Marketing Actions

A major issue facing the City's affordable housing stock is an overrepresentation of some ethnic and racial groups resulting to a loss of diversity and the creation of an undesirable environment for tenants from underrepresented groups. City staff have been working with the property owners and managers to try and increase tenant diversity and ensure that there is adequate outreach and affirmative marketing carried out to reach underrepresented groups such as the Hispanic, Asian and Black communities.

The City and non-profit agency owners have been carrying out the following actions as part of the City's Affirmative Marketing efforts:

- Bilingual outreach workers have been going out into the community, in particular areas where underrepresented groups reside, and informing them about housing opportunities, and assisting households as necessary to obtain and complete application forms.
- Organizations that provide services to low income residents have been informed of housing openings and asked to inform their clients.
- Advertisements have been placed in the local newspaper and announcements have been circulated and posted at City Hall, Library, Senior Center, Recreation Center, and other community facilities.
- Announcements have been posted in neighborhood gathering spots such as grocery stores, Laundromats, etc.
- Bilingual applications and literature are provided.

f. Outreach to Minority and Women Owned Businesses

No projects were carried out which involved the use of contractors, therefore, there has not been an opportunity to carry out outreach to minority and women owned businesses.

XI. FINANCIAL SUMMARY REPORTS

Attached Financial Summary Reports provide the status of the City's CDBG funds.

XIV. IDIS REPORTS FOR CITIZEN REVIEW

The following reports were made available to the public:

Consolidated Plan

Summary of Accomplishments Report (C04PR23)

Consolidated Annual Performance and Evaluation Report (CO4PR06)

HOME

Status of HOME Grants (C04PR27)

Status of HOME Activities (C04PR22)

Status of CHDO Funds (C04PR25)

CDBG

Summary of Activities (C04PR03)

OTHER

Federal Entitlement Grant Funding for Grantee (C04PR01)

Drawdown Voucher Summary Report (C04PR07)

Program Income Details (C04PR09)

Grant Drawdown Report (C04PR05)